Rothschild Land Purchases and Early Israel

The family owned more than 90,000 acres, or 400,000 dunams, (364 km²) in the Jezreel Valley in Palestine, having purchased it from Ottoman authorities in their dealings with the empire. Evidence of the remarkable concentration of wealth accumulated by the Sursocks, who already owned tens of thousands of acres of the finest land in the region, can be found in records detailing their sustained purchases of numerous new villages every year. In 1906, the Sursock family sold land in Palestine to the Baron Edmond de Rothschild's Jewish National Fund, with documents revealing that in 1929, under the British Mandate, the Sursocks sold the majority of their holdings to the Baron.

Because the villagers paid tithes to the Sursock family in Beirut for the right to work the agricultural lands in the villages, they were deemed tenant farmers by the British Mandate authorities in Palestine, and the right of the Sursock family to sell the land to the JNF was upheld by the authorities.

The fateful story of the Jezreel Valley began when the Ottoman Government sold Marj ibn Amir in 1872 to the Sursock family of Beirut. The Zionists began to show interest in buying the Jezreel Valley in 1891, but the Palestine Land Development Company (PLDC), a Zionist land purchasing agency, only made its first purchases in 1910. The PLDC acquired land for the Jewish National Fund (JNF). In ancient times Esdraelon was the granary, and by the Arabs is still regarded as the most fertile tract of Palestine. The soreness felt owing to the sale of large areas by the absentee Sursock family to the Jews and the displacement of the Arab tenants is still a source of debate.

Recent documents have revealed that the Sursocks were absentee landlords in the vast Marj Ibn `Amer (Jezreel Valley) in Northern Palestine for over a century. In 1929, under the British Mandate, the Sursocks sold the valley to Baron Rothschild. The European dynasty of German Jewish origin that established European banking and finance houses from the late eighteenth century had established a fund to buy land in Palestine and encourage the immigration of Jews to Palestine.The Palestine Jewish Colonisation Association – PICA- was founded in 1924 by Edmond to administer the settlements he had created in Palestine and indeed took over the role of the Jewish Colonisation Association of 1900. PICA was the largest Jewish landowner in Palestine. Edmond's involvement with Jewish settlements began in 1882, when he funded Rishon Le-Zion ('The First in Zion') He quickly began to establish more settlements including Zikhron Yaacov and Maskereth Batya (named after his parents), which were

provided with social and religious institutions. Edmond also stimulated the economic development of the settlements by investing in new crops, such as wine, grapefruit and avocado, and industrial enterprises such as silk production.

After Edmond's death in 1934 his son James de Rothschild (1878-1957) presided over the affairs of PICA until in 1957, the year of his death, he decided to transfer all PICA holdings to national institutions. His determination to continue to support Israeli institutions was carried out after his death by his wife, Dorothy (1895-1988), who founded Yad Hanadiv.

The sale of the Sursock lands and other Jewish land purchases in districts where the soil is most productive were regarded as showing that the immigrants would not be content to occupy undeveloped areas and that economic pressure upon the Arab population was likely to increase. When Edmond died in Paris in 1934, he left a legacy which included the reclamation of nearly 500,000 dunams of land and almost 30 settlements. Official purchasing organizations such as the Palestine Land Development Company focused on consummating the transfer of some 75,000 dunams of land in the Jezreel Valley owned by the Sursocks of Beirut. On 18 December 1918, the PDLC concluded an egreement with Nagib and Albert Sursock for the purchase of 71,356 dunams in the Jezreel Valley, including Tel Adas. For their part, the Ottomans tried to limit mass land acquisition and immigration, but had their hands tied by European pressure and also greed of officials in the region.

The sale of the land by the Sursock family in Marj ibn Amer is a noted case. Edmond de Rothschild began investing in Palestine at the age of 37, in 1882. Baron Edmond de Rothschild in 1923 founded the Palestine Jewish Colonization Association (PICA), which carried on his work under his son, James Armand de Rothschild (1878-1957). By 1930, PICA had amassed 5,200 hectares in various parts of the country, on which it established 50 settlements that reflected the diverse models that had evolved by this time: villages (such as Pardess Hanna, Binyamina and Givat Ada, all named for members of the Rothschild family), kibbutzim, moshavim and urban localities such as Bnei Brak and Herzliya. PICA continued to assist rural settlements as well as developing or financing economic enterprises, including some of lasting importance in the Israeli economy – wineries, the Potash Company, the Electric Company and Nesher Cement, to name only a few.

By the end of the Mandate (1948), the PICA had amassed a large proportion of the Jewish-owned land in Palestine. In the next 17 years, the Baron spent $100 million in purchasing lands, building factories, schools and hospitals and disseminating Jewish settlements to produce what he needed on these new lands. In 1912, the PLDC contracted to purchase a large tract in the Jezreel Valley from the Sursock family (of Beirut and Alexandria) in 1912, but was unable to complete the transaction due to the raging World War, much to the dismay of the Baron.

The initial purchased lands were owned by the Sursocks and many other feudal lords, who became significant leaders in the Lebanese political system due to the money they got from selling their lands in Palestine The agreement concluded between the owners – the Sursocks and the PLDC – stipulated that the Sursocks would have to pay a $50,000 penalty if they did not sell the tract to the PLDC.

The Jewish National Fund was founded in 1901 by the Baron to buy and develop land in Ottoman Palestine for Jewish settlement. The Palestine Jewish Colonisation Association (PICA) was created in 1924, under the Presidency of Mr. James de Rothschild, M.P., the Baron's eldest son, in order to administer the Palestinian colonies. In 1953, the JNF was dissolved and re-organized as an Israeli company under the name Keren Kayemet LeYisrael (JNF-KKL). In 1912, the PLDC contracted to purchase a large tract in the Jezreel Valley from the Sursock family of Beirut and Alexandria in 1912, but the deal stagnated amidst war. There could hardly be a better illustration of the merits of this approach than that offered by this new study of the role of the great Baron Edmond de Rothschild (1845-1934) in the early development of what has become the state of Israel.

The work of his son James and the institution—the Palestine Jewish Colonial Association (PICA)—into which the Rothschild projects were ultimately absorbed cannot be understated; but "the Baron" is the true focus, not only for the detailed story of what he accomplished at this primitive stage when almost everything trembled on

the edge of collapse, but even more for the chance it gives us to see the mysterious appeal of Zion transforming a man's life to his own surprise and even, it might be said, against his will. The period 1925-28 was to be the quietest time of the mandate. The year 1925 had witnessed a relatively large increase in Jewish immigration, and land purchases were far more than in any other year of the mandate (31 March 1938, Gurevich, JA Statistician to JA Political Dept., CZA S25/6563).

These purchases, transacted mainly with the Greek Orthodox Sursock family, effectively allowed the Yishuv to dominate the great interior Valley of Israel (Esdraelon, Jezreel). Ideological and practical considerations compelled the KKL to buy this large tract of land from the Sursock family. Urgency for large colonization, quick purchase, and rapid self-sufficiency by means of general agriculture made the jezreel valley the focus of the Zionist Organization's land purchasing plans. The Zionist Organization thought the Jezreel Valley to be significantly more desirable, for instance, than even the coastal region where smaller parcels of land were available for purchase.

Buying parcels in the coastal region involved more complicated purchasing negotiations. The coastal region was also the center of orange cultivation, a type of agriculture that would not yield a profit for several years, thus potentially impeding the Labor Zionist idea of self reliant settlement.

Jews purchased 200,000 dunams (more than 49,000 acres) from the wealthy family of Christian Arabs from Beirut (the Sursock family). Included in the purchase were 22 villages. Baron Edmond James de Rothschild, youngest son of James Jacob de Rothschild, was a patron of the first settlement in Palestine at Rishon-LeZion, and bought from Ottoman landlords much of the land which now makes up present-day Israel.

In 1924, he established the Palestine Jewish Colonisation Association (PICA), Not only did Baron Edmond buy from the rich Greek-Arab family insalubrious swampy lands, but he also sponsored the very expensive, and for a long time unsuccessful, sinking of wells to find what was indispensable for the daily life of populations – water. In ancient times Esdraelon was the granary, and by the Arabs is still regarded as the most fertile tract of Palestine.

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